

MEMORANDUM FOR: DCI

10 January

For today's White House "Plenary" on the Zhao visit, attached is the signed version of NSDD-120.

Most of the changes from the earlier draft are cosmetic, but there has been some rewriting in the "economic" and "strategic/military" sections. Significant changes are highlighted.

Dick

---

**SECRET**

---

NSDD 120  
Cpy #10 CIANo. ER 059 84COPY #1 (DCI)

# NATIONAL SECURITY COUNCIL INFORMATION

## Notice

The attached document contains classified National Security Council Information. It is to be read and discussed only by persons authorized by law.

Your signature acknowledges you are such a person and you promise you will show or discuss information contained in the document only with persons who are authorized by law to have access to this document.

Persons handling this document acknowledge he or she knows and understands the security law relating thereto and will cooperate fully with any lawful investigation by the United States Government into any unauthorized disclosure of classified information contained herein.

## Access List

DATE	NAME	DATE	NAME
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

---

**SECRET**

---

**EXECUTIVE SECRETARIAT**  
**ROUTING SLIP**

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		✓		
2	DDCI		✓		
3	EXDIR		✓		
4	D/ICS				
5	DDI		✓		
6	DDA				
7	DDO		✓		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/EEO				
14	D/Pers				
15	D/OLL				
16	C/PAO				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20	<del>NIO/EA</del>		✓		
21					
22					
SUSPENSE		Date			

Remarks

*[Signature]*  
Executive Secretary  
1/10/84  
Date

**SECRET**System II  
91545NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

Executive Registry

84- 039

SECRET

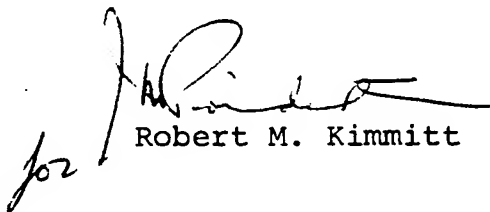
January 9, 1984

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE  
 THE SECRETARY OF THE TREASURY  
 THE SECRETARY OF DEFENSE  
 THE SECRETARY OF AGRICULTURE  
 THE SECRETARY OF COMMERCE  
 THE SECRETARY OF ENERGY  
 THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET  
 THE DIRECTOR OF CENTRAL INTELLIGENCE  
 THE UNITED STATES REPRESENTATIVE TO THE  
 UNITED NATIONS  
 THE UNITED STATES TRADE REPRESENTATIVE  
 THE CHAIRMAN, JOINT CHIEFS OF STAFF  
 THE DIRECTOR, ARMS CONTROL AND DISARMAMENT  
 AGENCY  
 THE DIRECTOR, UNITED STATES INFORMATION AGENCY

SUBJECT: NSDD on the Visit to the United States  
of Premier Zhao Ziyang of the People's  
Republic of China (S)

The President has approved the attached National Security Decision Directive on the Visit to the United States of Premier Zhao Ziyang of the People's Republic of China. (S)



Robert M. Kimmitt

Attachment  
NSDD 120

SECRET

Declassify on: OADR

**SECRET**

COPIES 10 OF 15 COPIES  
CIA

SECRET**SECRET**System II  
91545

THE WHITE HOUSE

WASHINGTON

NATIONAL SECURITY  
DECISION DIRECTIVE 120

January 9, 1984

VISIT TO THE UNITED STATES OF  
PREMIER ZHAO ZIYANG (S)

During the past year, we have witnessed an improvement in U.S.-China relations, due in part to an exchange of high level visits. Also important was a change in the Chinese view of the relationship, based, to some extent, on our decision to liberalize controls on the transfer of technology to China. This decision gives substance to our policy of treating China as a friendly, non-allied country. At the same time, we recognize that fundamental differences with the Chinese will persist on certain issues. The visit to the United States by Premier Zhao Ziyang and my return visit to China next April are in themselves strong indications that the relationship is progressing well, despite some problems, and that the Chinese appreciate the value of the relationship and will continue to cooperate with us to advance the relationship in areas of mutual interest. We want the Zhao visit to maintain the momentum of recent months as we move toward preparations for my visit to China in the spring. (S)

Because of the importance of this relationship and the sensitive aspects of managing our relations with both the People's Republic of China and Taiwan, it is essential that our strategies and policies be coherent and that our actions be consistent and mutually reinforcing. The public perception of these discussions at home and abroad will have an important bearing on the course of our relationship, and therefore, in addition to ensuring that our private statements to the Chinese are consistent, we must ensure that our public statements and briefings to the media about the visit are consistent, coordinated, and supportive of our goals. (S)

Objectives

In our relationship with China we seek:

- To promote a China that remains independent of the Soviet orbit. (S)
- To encourage China's efforts to modify and liberalize its totalitarian system, introduce incentives and market forces in its economy, and continue expanding its ties with the major industrialized democracies. (S)

SECRET

Declassify on: OADR

**SECRET**COPY 10 OF 15 COPIES  
CHA

SECRET

-2-

**SECRET**

- To help China modernize, on the grounds that a strong, stable China can be an increasing force for peace, both in Asia and in the world, if the two objectives above are realized. (S)

To achieve these overall objectives we should emphasize the following themes during this very important visit:

### Political Relationship

First, on the political issues we should aim:

- To reaffirm our commitment to regard China as a friendly, non-allied nation and to consolidate and advance our bilateral relationship on that basis. (C)

- To set the stage for my trip to China in April. Zhao's visit here and my trip should be conceived as a pair. Zhao's visit should facilitate establishment of personal rapport and allow us to introduce the themes and issues that we hope might culminate in concrete agreements during my visit. (C)

- To enhance Chinese understanding of the United States by exposing Zhao to a wide range of American opinion and experiences. (C)

- To reaffirm our intention to live up to the various joint communiques we have signed with the Chinese, including the one of August 1982 on arms sales. At the same time we should reconfirm our moral and legal commitment to maintain unofficial relations with the people of Taiwan, including the continued sale of defensive arms. We believe the "resolution" of the Taiwan issue is a matter for the Chinese people to settle themselves, and our only concern is that it be done peacefully. A continued peaceful approach by Beijing to Taiwan is fundamental to our position on Taiwan arms sales and to the whole framework of our relations. (S)

- To send a quiet signal to our friends in Asia, as well as to the Soviets and others, that U.S.-China ties can prosper on a foundation of realism, mutual interest, and mutual respect, despite differences arising from the nature of our societies and political systems. (S)

- To seek ways of enhancing U.S.-Chinese consultations and coordination where our interests are similar or parallel (e.g., Korea, Afghanistan, Kampuchea). (S)

- To stress to Zhao our interest in enlisting China's good offices to permit us access to Vietnamese in China, including a former Vietnamese government minister, who may have knowledge of our POW/MIAs. (S)

SECRET**SECRET**

COPIES 10 OF 15 COPIES  
OIA

SECRET

-3-

~~SECRET~~Economic Relationship

Second, in the economic area we should seek:

- To articulate our readiness to lend support to China's ambitious modernization effort, especially through our liberalized technology transfer policy. (C)

- To attempt to conclude in principle an agreement of cooperation on the peaceful uses of nuclear energy during Zhao's visit. A key to this goal is to obtain from the Premier, while he is in Washington, a clear statement that China will not assist others in any way to acquire or develop any nuclear explosive device. This, in addition to Chinese concessions on two other points--consent rights and visitation rights--would enable us to make a public announcement. (S)

- To express our disappointment over the Chinese failure to abide by the terms of our bilateral grain agreement in 1983 and our expectation that they will henceforth abide by the terms of the agreement. (C)

- To encourage the Chinese to look beyond immediate problems in some areas to the longer-term potential of their economic relationship with the U.S. (C)

- To attempt to create an atmosphere in which we can conclude as early as possible the various bilateral agreements and treaties still pending, especially a tax treaty, a bilateral investment treaty (BIT), and a renewal of the Maritime Agreement. (C)

- To build on the substantial trade benefits that both countries have derived over the past few years. (C)

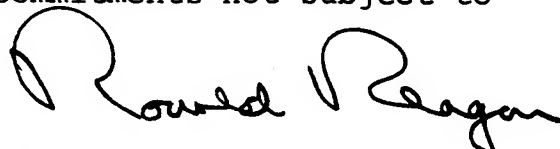
Strategic/Military Relationship

Third, in the area of strategic and military relations, we should strive:

- To emphasize our interest in furthering strategic cooperation with the Chinese against the common Soviet threat. (S)

- To restate our determination to work together with them to upgrade their defensive military capabilities. Transfer of appropriate levels of technology, civilian and military, consistent with other strategic interests and international obligations, is necessary and desirable in pursuit of this objective. (S)

Our overall strategy should be to develop our relationship by highlighting the areas of agreement and potential cooperation with Zhao, while maintaining a firm but quiet stance on issues involving our own principles and commitments not subject to compromise. (S)


SECRET~~SECRET~~